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SUBJECT 1. Soviet Control in Czechoslovakia 2. Relationship between the Army and the SNB	NO. OF PAGES 2	
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1. Soviet Control of Czechoslovakia through Agents

It can be said without hesitation that the Czechoslovak State organism is infested with Soviet observers and a cents. For intelligence work in Czecho-slovakia the Soviets generally use members of the Czechoslovak Communist Party, selected primarily from the ranks of those who have lived in the USSR as emigres and have received special schooling in intelligence work. Other Soviet agents have been recruited from the ranks of former Soviet and Czech partisans (especially those who have been trained in intelligence work) and those Czechoslovak Corrunists who enjoy the full confidence of the Coviet or Czechoslovak Intelligence officers. With the help of these Czechoslovak citizens the Soviets are able not only to avail themselves of the desired information but also to exercise decisive control over Czechoslovak public life in all sectors. Beginning with the Cominform Politbureau (five members) the Central Executive Committee of the Czechoslovak Communist Party which today control the Cabinet, the Parliament, the President, and all public life, there are in all positions of importance (offices, institutions, societies, cooperatives, etc.) agents and informants of the Soviets the generally have the last word in everything. There are comparatively few agents of Soviet citizenship in the country. These are officially employees of the Soviet Embassy and Consular Service or members of various economic and cultural missions. They coordinate and direct Soviet intelligence activities in Czechoslovakia, but, as stated above, it is Czechoslovak citizens who are being generally used as agents and informants.

2. Integration of Czechoslovak industry into the Soviet Economy

The basic steps in the reorganization of the Czechoslovak econory were the nationalization of industries and the nationalization of land in excess of 50 hectares. The Czechoslovak economy is a planned economy, the blueprints of which are contained in the Two- and the Five-Year Plans. Only the industrial sector may be considered a complement of the Soviet economy. The inclusion and integration of the Czechoslovak industries, and especially heavy industries, into Soviet planning was effected after February 1948. Since that date production has been geared to the Soviet needs and demands, which also govern the delivery of raw raterials from the USSR. Up to the end of February the integration of the Czechoslovak with the

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Soviet industries was fostered in the following manner. The Soviets ordered goods and products which, although there was no demand for them on the domestic or the world markets, necessitated the maintenance of certain types, methods, and branches of production supplementing the Soviet production plan. They ordered (and are ordering) primarily semi-finished products which can be easily finished in the Soviet factories or adapted, particularly to war use.

3. Relationship between the Army and SNB

- a. The attitude of the Army towards the SNB is similar to the attitude of the people towards that organization. The division between Communists and anti-Communists among the people is reflected in a similar division in the Army. A citizen reporting for military training brings with him his political orientation, and thus there is a large majority of anti-Communists in the Army. This is especially true of the enlisted men, the NCO's and the long term NCO's.
- b. The SNB members, on the other hand, are recruited primarily from Communist ranks. The SNB Officer Corps since February has consisted almost exclusively of Communists. Thus, the relationship between the Army and the SNB may be characterized as hatred prompted by ideological differences. The attitude of the Army (that is, of its non-Communist majority), however, is due to more than purely ideological reasons. The Communist Farty and the present Communist regime, in their effort to transform the SNB into the main support and tool of their government, have been forced to ensure the loyalty of the SNB not only be a careful selection of personnel from among the members of the Communist Farty but also by granting the SNB members an exceptional status and various privileges such as special pay allowances, special allowances for uniform, better opportunities for promotions, etc. These discriminatory measures place the SNB ahead of the Army and are deeply resented by the Army.
- c. Since February 1948 many tasks clearly belonging to the Army have been entrusted to the SNB, as, for example, the training of the Workers' Militia (Factory Militia) and of the newly established Border Militia and the organization of special SNB border units. This partiality to the SNB is further manifested by a constant emphasis on its reliability in the press, in public addresses, in the budget, etc. on the one hand, and by constant hints about the unreliability of the Army and the need for a purge in its ranks on the other. Such favoritism has even caused discord between Communist members of the Army and Communist members of the SNB. Still another factor adding to Army bitterness is the special attention paid to the armament and equipment of the SNB at the expense of the Army. Special SNB motorized and armored units are being organized, and the Spitfires of the Air Force are being given to the SNB while the Army is getting the less effective Messerschmidts.
- d. The post-February purge has continued down to the present, and only an insignificant number of persons who might be considered as potential leaders of the fight against Communism have remained at their posts. Of the military leaders coming into consideration in this connection only the following can be named: Division General Jan Prochazka, Brigadier General Borsky, and Julius Nosko, all anti-Communist.

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